

September 13, 2010

VIA FEDERAL EXPRESS

Comptroller's Office
U.S. EPA - Region 5
77 W. Jackson Boulevard
Mail Code: MF-10J
Chicago, IL 60604-3590

Re: Chemical Recovery Systems, Inc. Site
United States of America v. AK Steel Corporation et al., Case No. 1:10-cv-00996-KMO
Performance Guarantee Instruments and Confidential Business Information Claim

To U.S. EPA Regional Financial Management Officer:

This letter transmits original irrevocable Letters of Credit and Surety Bonds from the majority of the Settling Performing Defendants in accordance with paragraph 53 of the RD/RA Consent Decree for the Chemical Recovery Systems, Inc. ("CRS") Site entered July 16, 2010 in the above-captioned case ("Consent Decree"). These financial assurance instruments together with the instruments sent directly to U.S. EPA by Akzo Nobel Paints LLC, Avery Dennison Corporation, Mattel, Inc. and Valspar Corporation, in the aggregate constitute the \$2.1 million Performance Guarantee amount due under Paragraph 52 of the Consent Decree.

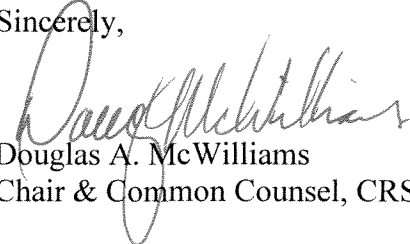
Each attached instrument contains confidential business information, disclosure of which is likely to cause substantial harm to the competitive position of the CRS Site RD/RA Group member on whose behalf the instrument was executed. Great care has been taken to protect from disclosure the internal allocation of costs among the Settling Performing Defendants in our Group. The confidential allocation proceedings must be protected from public disclosure to preserve the confidences of those who engaged in the allocation process with the good faith belief that their willingness to compromise disputed claims and positions would not have adverse consequences in other proceedings. This includes the pursuit of cost recovery from other potentially responsible parties at the CRS Site, and any future negotiations at other sites, where the basis and willingness to compromise at the CRS Site could be used to the member's detriment.

As allowed and anticipated by paragraph 53 of the Consent Decree, the attached financial assurance instruments are being submitted to U.S. EPA pursuant to CERCLA Section 104(e)(7) as Confidential Business Information (CBI) and subject to the understanding that this information is entitled to protection under Section 1905 of Title 18 as confidential information that relates to the amount and source of expenditures. As such, Section 1905 imposes criminal fines and penalties for the disclosure of these confidential documents and the information they contain. This claim of business confidentiality is being timely asserted under the regulations set forth at 40 CFR § 2.203.

We have placed the CBI financial instruments in a separate sealed envelope clearly marked Confidential Business Information. We are also providing copies of the instruments with the confidential information redacted, which may be made publicly available as evidence of the performance guarantee for the CRS Site. As the Chairperson and Common Counsel of the CRS Site RD/RA Group, I certify and attest that the total amount of the financial instruments in the aggregate, including those sent directly to U.S. EPA, is no less than \$2,100,000 as is required by the Consent Decree. With this certification, the amount of each financial instrument is not material to demonstrating compliance with Settling Performing Defendants' performance guarantee obligation under the Consent Decree. To that end, and given the confidential settlement nature of the enclosed materials, we respectfully request that EPA not view the un-redacted material unless and until EPA has reason under the Consent Decree to draw on these instruments.

If you have any questions or concerns, please do not hesitate to contact me at (216) 479-8332.

Sincerely,



Douglas A. McWilliams
Chair & Common Counsel, CRS Site RD/RA Group

DAM/acp
Enclosures

cc: Chief, Environmental Enforcement Section, U.S. Department of Justice (w/attachments)
Richard C. Karl, Director, Superfund Division, U.S. EPA - Region 5 (w/attachments)
Michelle Kerr, Remedial Project Manager, U.S. EPA - Region 5 (w/attachments)
Thomas C. Nash, Associate Regional Counsel, U.S. EPA - Region 5 (w/attachments)
Kristin M. Furrie (via electronic mail only w/out attachments)
CRS Site RD/RA Group Settling Performing Defendants (via electronic mail only w/out attachments)